

# **Tobin & Co.**

Whitewater Township

Grand Traverse County, Michigan

Audit Report

For the Year Ended March 31, 2006

## Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name Whitewater Township	County Grand Traverse
Audit Date 3/31/06	Opinion Date 9/27/06	Date Accountant Report Submitted to State: 10/02/06	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ Yes ☒ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	X		
Reports on individual federal financial assistance programs (program audits).			X
Single Audit Reports (ASLGU).			X

**TOBIN & CO., P.C.**

400 E. EIGHTH ST.

Certified Public Accountant (Firm Name) <b>TRAVERSE CITY, MI 49686-2668</b>			
Street Address 231-947-0151	City	State	ZIP
Accountant Signature <i>Daniel J. Barber</i>			Date 9-30-06

# Tobin & Co.

## Table of Contents

### INTRODUCTORY SECTION

Comments and Recommendations	4 - 6
------------------------------	-------

### FINANCIAL SECTION

Accountant's Report	8
Management's Discussion and Analysis	9 - 11

#### Basic Financial Statements

Government-wide Financial Statements:	
Statement of Net Assets	12
Statement of Activities	13

Governmental Funds:	
Balance Sheet	14
Statement of Revenues, Expenditures and Changes in Fund Balances	15

Proprietary Funds:	
Statement of Net Assets	16
Statement of Revenues, Expenses and Changes in Net Assets	17
Statement of Cash Flows	18

Fiduciary Funds:	
Statement of Fiduciary Net Assets	19

Notes to Basic Financial Statements	20 - 27
-------------------------------------	---------

### SUPPLEMENTAL DATA SECTION

Required Supplementary Information:	
Statements of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	
1 - General Fund	29 - 33
2 - Fire Fund	34
3 - Park Fund	35 - 36
4 - Recreation Fund	37
5 - Fire Capital Improvement Fund	38

Non-major Governmental Funds:	
6 - Combining Balance Sheet	39
7 - Combining Statements of Revenues, Expenditures and Changes in Fund Balances	40

Other Supplementary Information	
8 -2005 Property Tax Levy and Collection	41
9- Statement of Revenues, Expenditures and Balance – Property Tax Administration Fees	42

---

# **Tobin & Co.**

## INTRODUCTORY SECTION

# **Tobin & Co.**

## Comments and Recommendations

We have audited the basic financial statements and the individual fund financial statements of Whitewater Township, Grand Traverse County, for the year ended March 31, 2006 and have issued our report thereon. As part of our examination, we made a study and evaluation of the Township's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. The purpose of our study and evaluation was to determine the nature, timing and extent of the auditing procedures necessary for expressing an opinion on the Township's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

Our study and evaluation made for the limited purpose described above would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal control of Whitewater Township taken as a whole. As a result of our examination, we respectfully submit the following comments and recommendations.

### General

The accounting records were maintained in excellent condition by your Clerk and Treasurer. Recorded revenues were deposited timely and intact, journals and ledgers were properly posted, Board minutes were maintained in proper order, and supporting documents and follow-up procedures appeared to be in very good order. The efforts of these officials during 2005-2006 are commendable.

### Budgets and Procedures

The Township prepared and adopted budgets for its General and Special Revenue Funds. See Note 2 of the "Notes to Financial Statements".

### General Fund

The General Fund is presented on Schedule 1 of this report.

### Fire Fund

This fund, presented on Schedule 2, is used to account for the special voted tax for fire protection. The Fund balance at March 31, 2006 was \$120,541.

### Park Fund

This fund, presented on Schedule 3, is used to account for revenues generated through the use of Township parks. Such revenues are used to operate and maintain the parks. In addition, this fund received an appropriation of \$13,250 from the General Fund during the audit year. The Fund balance at March 31, 2006 was \$720.

### Recreation Fund

This fund, presented on Schedule 4, is used to account for a special voted tax and revenues generated from fees for use of recreational facilities. The Fund balance at March 31, 2006 was \$24,545.

### Fire Capital Improvement Fund

This fund, presented on Schedule 5, is used to account for monies set aside for the acquisitions of property and buildings. Revenues consisted of earned interest of \$5,170 along with an operating transfer of \$29,090 from the Fire Fund. The Fund balance at March 31, 2006 was \$222,055.

### Road Fund

This fund, presented on Schedules 6 and 7, was initiated by Board resolution in the current fiscal year and is used to account for Metro Act State Shared Revenues. Metro Act revenues for the fiscal year were \$6,967. Expenditures of \$1,215 were used for right-of-way maintenance. The fund balance at March 31, 2006 was \$6,205.

# **Tobin & Co.**

## Comments and Recommendations

### Ambulance Fund

This fund, presented on Schedules 6 and 7, is used to account for revenues derived from ambulance runs which are used to finance the Township ambulance operations. In addition, this Fund received appropriations of \$6,000 from the General Fund during the audit year. The fund balance at March 31, 2006 was \$4,659.

### Ambulance Replacement Fund

This fund, presented on Schedules 6 and 7, is used to account for monies set aside for a future ambulance purchase. Revenues for the year consisted of \$289 in earned interest. The Fund balance at March 31, 2006 was \$18,639.

### Public Improvement Fund

This Fund, permitted by Act 136 of 1956, as amended, is presented on Schedules 6 and 7. It is used to set aside certain miscellaneous revenues for future public improvements authorized by statute. During the audit year, the Fund received earned interest of \$287. The Fund balance at March 31, 2006 was \$11,780.

### Property Tax Collections

The collection and distribution of the 2005 tax levy was handled in an excellent manner by the Township Treasurer. Paid receipts were filed in order of payment. Deposits were made timely and intact. Distributions to taxing units during the collection period were in accordance with statutory requirements.

See Schedules 8 for a summary of the 2005 property tax levy and collections.

### Property Tax Administration Fees

A 1% Property Tax Administration fee is authorized by statute to offset such property tax administration costs as assessing, collecting, and the review and appeal process. Fee collections may be used for no other purpose. We note that Whitewater Township complied with statutory provisions as its accumulated administrative expenses exceed fee collections by \$213,253.

### Payroll Procedures

The Clerk maintains excellent payroll records. Payroll withholdings were promptly remitted to various agencies and required reports were properly prepared. The Clerk's efforts are commendable.

### Pension Plan

We noted that the Township has a pension plan for its elected officials and full-time employees through John Hancock Life Insurance. The Township pays 100% of the cost.

### Ambulance Billings

At March 31, 2006, unpaid accounts totaled \$3,708. The Board periodically takes action to write-off uncollectible accounts. An outside billing agency and a collection agency are utilized.

### Insurance and Surety Bond Coverage

Records indicate that the Township is insured through Municipal Underwriters of Michigan and has such coverage as fire and extended coverage, general liability, errors and omissions, workmen's compensation, equipment and crime coverage. Board minutes indicate that coverage was reviewed during the audit year. The Clerk, Treasurer, and their deputies, as well as the Supervisor, have specific surety bond coverage and the Township has a blanket surety bond for other employees.

---

# **Tobin & Co.**

## Comments and Recommendations

### Other Data

We are pleased to note the use of interest bearing depository accounts. The purchase of certificates of deposit and other investment practices resulted in earned interest of \$22,741 during the audit year. This is commendable on the part of the Treasurer and other Board members.

After completion of our audit, we will submit the necessary copies of our report to the State Department of Treasury.

We again commend the Clerk and Treasurer for the excellent condition of the Township accounting records. We further appreciate the courtesy extended our field auditors in the conduct of this audit.

Your confidence is respected. Please contact us if questions arise or assistance is needed.

FINANCIAL SECTION



# Tobin & Co.

## REPORT OF INDEPENDENT AUDITOR

To the Township Board  
Whitewater Township  
Grand Traverse County  
Williamsburg, Michigan 49690

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate of remaining fund information of Whitewater Township as of and for the year ended March 31, 2006, which collectively comprise the Township's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate of remaining fund information of Whitewater Township, Grand Traverse County at March 31, 2006, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information required by the GASB. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules listed in the Table of Contents are presented for the purposes of additional analysis and are not a required part of the basic financial statements of Whitewater Township. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.



TOBIN & CO., P.C.  
Certified Public Accountants  
September 27, 2006

# Tobin & Co.

## Whitewater Township Management Discussion and Analysis Letter

As the Township Board of the Whitewater Township, we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of Whitewater Township for the fiscal year ended March 31, 2006.

### Financial Highlights

The assets of Whitewater Township exceeded its liabilities at the close of the most recent fiscal year by \$2,824,773. Of this amount, \$273,442 may be used to meet the Township's ongoing General Fund obligations to citizens and creditors.

As of the close of the current fiscal year, Township's governmental funds reported combined ending fund balances of \$682,596, an increase of \$40,147 in comparison with the prior year.

At the end of the current fiscal year, unreserved fund balance for the general fund was \$273,442, or 79% of total general fund expenditures.

### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Whitewater Township's basic financial statements. The Township's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information, in addition to the basic financial statements themselves.

**Government-wide financial statements:** The government-wide financial statements are designed to provide readers with a broad overview of the Township's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the Township's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the Township's financial position is improving or deteriorating.

The statement of activities presents information showing how the Township's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, earned but unused credits, and used but not paid expenses).

Both of the government-wide financial statements distinguish functions of the Township that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Township include: general government, public safety, parks and recreation, road projects, and township improvements. The business-type activities of the Township include sewer operations.

**Fund Financial Statements:** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Whitewater Township, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds:** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Whitewater Township maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statements of revenues, expenditures, and changes in fund balances for the General Fund, Fire Fund, Park Fund, Recreation Fund, and Fire Capital Improvement Fund, which are considered to be major funds. All Township government activities are included in these five funds plus four non-major governmental funds.

# Tobin & Co.

The Township adopts an annual appropriated budget for its general fund, special revenue and permanent funds. Budgetary comparison statements have been provided for the general fund and other governmental funds to demonstrate compliance with this budget.

**Proprietary funds:** Whitewater Township maintains one individual proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Township uses an enterprise fund to account for its sewer activities.

**Fiduciary funds:** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Township's own programs.

The basic fiduciary fund financial statements can be found on page 19 of this report.

**Notes to the financial statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

## General Fund Analysis and Highlights

The Township Board upgraded computers and continued working on the new zoning ordinance. Eight Township employees completed an extensive Citizen Planner training program. The Township reheld its popular cleanup day activity.

## Condensed Financial Information

	March 31, 2006			March 31, 2005		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and Other Assets	\$ 705,637	\$ 302,366	\$ 1,008,003	\$ 660,054	\$ 308,807	\$ 968,861
Capital Assets	<u>1,805,743</u>	<u>304,045</u>	<u>2,109,788</u>	<u>1,826,925</u>	<u>310,991</u>	<u>2,137,916</u>
Total Assets	<u>\$ 2,511,380</u>	<u>\$ 606,411</u>	<u>\$ 3,117,791</u>	<u>\$ 2,486,979</u>	<u>\$ 619,798</u>	<u>\$ 3,106,777</u>
Long-term Liabilities	\$ 72,667	\$ 217,756	\$ 290,423	\$ 85,702	\$ 232,348	\$ 318,050
Other Liabilities	<u>23,041</u>	<u>5,555</u>	<u>28,596</u>	<u>19,698</u>	<u>78</u>	<u>19,776</u>
Total Liabilities	<u>\$ 95,708</u>	<u>\$ 223,311</u>	<u>\$ 319,019</u>	<u>\$ 105,400</u>	<u>\$ 232,426</u>	<u>\$ 337,826</u>
Net Assets:						
Invested in Capital Assets	\$ 1,733,076	\$ 86,289	\$ 1,819,365	\$ 1,741,223	\$ 78,643	\$ 1,819,866
Restricted	6,031	-	6,031	279	-	279
Unrestricted	<u>676,575</u>	<u>296,811</u>	<u>973,386</u>	<u>640,077</u>	<u>308,729</u>	<u>948,806</u>
Total Net Assets	<u>\$ 2,415,682</u>	<u>\$ 383,100</u>	<u>\$ 2,798,782</u>	<u>\$ 2,381,579</u>	<u>\$ 387,372</u>	<u>\$ 2,768,951</u>

# Tobin & Co.

	March 31, 2006			March 31, 2005		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
<b>Program Revenues</b>						
Charges for Services	\$ 131,676	\$ 19,471	\$ 151,147	\$ 134,521	\$ 17,513	\$ 152,034
Operating Grants and Contributions	7,067	-	7,067	36,024	-	36,024
<b>General Revenues</b>						
Property Taxes	327,152	-	327,152	306,410	-	306,410
State Shared Revenues	166,617	-	166,617	162,789	-	162,789
Unrestricted Investments Earnings	22,474	2,623	25,097	17,181	2,592	19,773
Miscellaneous	25,712	-	25,712	76,533	-	76,533
<b>Total Revenues</b>	<u>680,698</u>	<u>22,094</u>	<u>702,792</u>	<u>733,458</u>	<u>20,105</u>	<u>753,563</u>
<b>Program Expenses</b>						
Legislative	49,674	-	49,674	50,734	-	50,734
General Government	247,958	-	247,958	232,695	-	232,695
Public Safety	179,821	-	179,821	173,532	-	173,532
Public Works	1,215	26,366	27,581	10,755	31,770	42,525
Recreation and Cultural	164,068	-	164,068	148,495	-	148,495
Interest on Debt Service	3,641	-	3,641	4,138	-	4,138
<b>Total Expenses</b>	<u>646,377</u>	<u>26,366</u>	<u>672,743</u>	<u>620,349</u>	<u>31,770</u>	<u>652,119</u>
<b>Change in Net Assets</b>	<u>\$ 34,321</u>	<u>\$ (4,272)</u>	<u>\$ 30,049</u>	<u>\$ 113,109</u>	<u>\$ (11,665)</u>	<u>\$ 101,444</u>

## Capital Asset and Debt Administration

**Capital assets:** The Township's investment in capital assets for its governmental activities as of March 31, 2006, amounts to \$1,741,223. This investment in capital assets includes: several parcels of land, Township Hall, Parks facilities, Fire and Rescue buildings, Fire and Rescue Trucks and Equipment, and Office Equipment and Computers. This is the first year that the total Township's investment in capital assets has been assessed and reported. All of our government funds report capital outlays as expenditures. However, the cost of the assets is allocated over their useful lives. This fiscal year the amount by which depreciation exceeded capital outlays was \$21,182.

**Cash Assets:** At the end of the current fiscal year, the Township had \$821,967 in cash and other spendable assets. The Township is limited by State law in how it can invest these funds, and we have made no changes in our investment strategy in several years.

**Long-term Debt:** At the end of the current fiscal year, the Township had \$217,756 in bonded sewer debt and \$72,667 of installment debt outstanding. No new debt was incurred during the fiscal year.

**Pension Plan:** The Township makes contributions equal to approximately 10% of each qualified employee's wage to John Hancock Life Insurance Co. on behalf of each participating employee. This is an expensed item in the budget and totaled \$11,469 for the fiscal year.

## Currently Known Facts, Decisions, or Conditions Expected to Significantly Effect Next Year and Beyond

The Township Board plans to finalize and implement a new zoning ordinance, finalize a lease of Township property for cellular phone towers, which lease income will supplement General Fund revenues. In addition the Board plans to purchase property to meet future fire station needs, to apply for a grant to improve park camping services, and to finalize purchase of and create a management plan for the Battle Creek Natural Area. The Board will propose renewal of the special recreation voted millage.

## Requests for Information

This financial report is designed to provide a general overview of Whitewater Township's finances for all those with an interest in the Township's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Whitewater Township, Carol Hoekin, Clerk, P. O. Box 159, Williamsburg, MI 49690.

# Tobin & Co.

## Whitewater Township Statement of Net Assets March 31, 2006

<u>Assets</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 655,801	\$ 166,166	\$ 821,967
Accounts Receivable	39,895	136,200	176,095
Taxes Receivable – Current	9,941	-	9,941
Capital Assets:			
Land	1,154,179	26,000	1,180,179
Other Capital Assets, Net of Depreciation	651,564	273,753	925,317
Intangible Assets, Net of Amortization	<u>-</u>	<u>4,292</u>	<u>4,292</u>
Total Assets	<u>2,511,380</u>	<u>606,411</u>	<u>3,117,791</u>
 <u>Liabilities</u>			
Accounts Payable and Accrued Expenses	13,603	5,555	19,158
Deferred Revenue	9,438	-	9,438
Long-term Liabilities, Net of Discounts:			
Due Within One Year	13,552	20,000	33,552
Due in More Than One Year	<u>59,115</u>	<u>197,756</u>	<u>256,871</u>
Total Liabilities	<u>95,708</u>	<u>223,311</u>	<u>319,019</u>
 <u>Net Assets</u>			
Invested in Capital Assets and Intangible Assets, Net of Related Debt	1,733,076	86,289	1,819,365
Restricted	6,031	-	6,031
Unrestricted	<u>676,565</u>	<u>296,811</u>	<u>973,376</u>
Total Net Assets	<u>\$ 2,415,672</u>	<u>\$ 383,100</u>	<u>\$ 2,798,772</u>

See Accompanying Notes to Basic Financial Statements

# Tobin & Co.

## Whitewater Township Statement of Activities March 31, 2006

Functions/Programs	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expenses) Revenues and Changes in Net Assets</u>		<u>Total</u>
		<u>Fees and Charges For Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	
Governmental Activities:						
Legislative	\$ 49,674	\$ -	\$ -	\$ (49,674)	\$ -	\$ (49,674)
General Government	247,958	8,471	-	(239,487)	-	(239,487)
Public Safety	179,821	30,176	100	(149,545)	-	(149,545)
Public Works	1,215	-	6,967	5,752	-	5,752
Recreation and Cultural	164,068	93,029	-	(71,039)	-	(71,039)
Interest on Debt Service	<u>3,641</u>	<u>-</u>	<u>-</u>	<u>(3,641)</u>	<u>-</u>	<u>(3,641)</u>
Total Governmental Activities	<u>646,377</u>	<u>131,676</u>	<u>7,067</u>	<u>(507,634)</u>	<u>-</u>	<u>(507,634)</u>
Business-type Activities:						
Sewer	<u>26,366</u>	<u>19,471</u>	<u>-</u>	<u>-</u>	<u>(6,895)</u>	<u>(6,895)</u>
Total Business-type Activities	<u>26,366</u>	<u>19,471</u>	<u>-</u>	<u>-</u>	<u>(6,895)</u>	<u>(6,895)</u>
Total	<u>\$ 672,743</u>	<u>\$ 151,147</u>	<u>\$ 7,067</u>	<u>(507,634)</u>	<u>(6,895)</u>	<u>(514,529)</u>
General Revenues:						
Taxes				327,152	-	327,152
State Shared Revenues				166,617	-	166,617
Investment Earnings				22,474	2,623	25,097
Miscellaneous				<u>25,712</u>	<u>-</u>	<u>25,712</u>
Total General Revenues				<u>541,955</u>	<u>2,623</u>	<u>544,578</u>
Change in Net Assets				34,321	(4,272)	30,049
Net Assets – Beginning				<u>2,381,351</u>	<u>387,372</u>	<u>2,768,723</u>
Net Assets – Ending				<u>\$ 2,415,672</u>	<u>\$ 383,100</u>	<u>\$ 2,798,772</u>

See Accompanying Notes to Basic Financial Statements

Whitewater Township  
Balance Sheet  
Governmental Funds  
March 31, 2006

**Tobin & Co.**

<u>Assets</u>	<u>General</u>	<u>Fire Fund</u>	<u>Park Fund</u>	<u>Recreation Fund</u>	<u>Fire Capital Improvement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash and Cash Equivalents	\$ 258,961	\$ 112,240	\$ 1,209	\$ 22,084	\$ 222,055	\$ 38,827	\$ 655,376
Petty Cash	425	-	-	-	-	-	425
Accounts Receivable	14,160	9,959	-	2,461	-	3,708	30,288
Taxes Receivable - Current	9,941	-	-	-	-	-	9,941
Due from Other Funds	<u>9,607</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,607</u>
Total	\$ 293,094	\$ 122,199	\$ 1,209	\$ 24,545	\$ 222,055	\$ 42,535	\$ 705,637
<u>Liabilities and Fund Equity</u>							
<u>Liabilities:</u>							
Accounts Payable	\$ 10,204	\$ 1,658	\$ 489	\$ -	\$ -	1,252	\$ 13,603
Deferred Revenue	<u>9,438</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,438</u>
Total	19,642	1,658	489	-	-	1,252	23,041
<u>Fund Equity:</u>							
Fund Balance - Reserved	10	-	-	-	-	6,021	6,031
Fund Balance - Unreserved	<u>273,442</u>	<u>120,541</u>	<u>720</u>	<u>24,545</u>	<u>222,055</u>	<u>35,262</u>	<u>676,565</u>
Total	273,452	120,541	720	24,545	222,055	41,283	682,596
Total Liabilities and Fund Equity	\$ 293,094	\$ 122,199	\$ 1,209	\$ 24,545	\$ 222,055	\$ 42,535	
Amounts reported for governmental activities on the statement of net assets are different because:							
Capital and intangible assets used in governmental activities are not financial resources and therefore are not reported in the funds.							
Long-term liabilities do not use current financial resources and therefore are not reported in the funds.							
Net assets of governmental activities.							1,805,743
							<u>(72,667)</u>
							<u>\$ 2,415,672</u>

See Accompanying Notes to Basic Financial Statements

Whitewater Township  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended March 31, 2006

	General	Fire Fund	Park Fund	Recreation Fund	Fire Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>							
Taxes	\$ 159,510	\$ 137,377	-	\$ 30,265	\$ -	\$ -	\$ 327,152
Licenses and Permits	24,287	-	-	-	-	-	24,287
State Grants	166,617	-	-	-	-	6,967	173,584
Charges for Services	8,471	-	91,342	1,687	-	25,166	126,666
Interest and Rents	8,554	5,994	1,618	455	5,170	683	22,474
Other	1,374	4,846	263	22	-	30	6,535
<b>Total</b>	<u>368,813</u>	<u>148,217</u>	<u>93,223</u>	<u>32,429</u>	<u>5,170</u>	<u>32,846</u>	<u>680,698</u>
<b>Expenditures</b>							
Legislative	49,674	-	-	-	-	-	49,674
General Government	210,672	-	-	-	-	-	210,672
Public Safety	58,171	109,276	-	-	-	-	167,447
Public Works	-	-	-	-	-	1,215	1,215
Recreation and Cultural	75	-	105,838	12,908	-	34,535	153,356
Other	25,055	-	-	-	-	-	25,055
Capital Outlay	4,251	2,231	1,480	22,814	-	-	30,776
<b>Total</b>	<u>347,898</u>	<u>111,507</u>	<u>107,318</u>	<u>35,722</u>	<u>-</u>	<u>35,750</u>	<u>638,195</u>
<b>Excess Revenues (Expenditures)</b>	<u>20,915</u>	<u>36,710</u>	<u>(14,095)</u>	<u>(3,293)</u>	<u>5,170</u>	<u>(2,904)</u>	<u>42,503</u>
<b>Other Financing Sources (Uses)</b>							
Operating Transfers In	-	-	13,250	-	29,090	6,000	48,340
Operating Transfers (Out)	(19,250)	(29,090)	-	-	-	-	(48,340)
<b>Total</b>	<u>(19,250)</u>	<u>(29,090)</u>	<u>13,250</u>	<u>-</u>	<u>29,090</u>	<u>6,000</u>	<u>-</u>
<b>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</b>	<u>1,665</u>	<u>7,620</u>	<u>(845)</u>	<u>(3,293)</u>	<u>34,260</u>	<u>3,096</u>	<u>42,503</u>
<b>Fund Balance – Beginning of Year</b>	<u>271,787</u>	<u>112,921</u>	<u>1,565</u>	<u>27,838</u>	<u>187,795</u>	<u>38,187</u>	<u>639,193</u>
<b>Fund Balance – End of Year</b>	<u>\$ 273,452</u>	<u>\$ 120,541</u>	<u>\$ 720</u>	<u>\$ 24,545</u>	<u>\$ 222,055</u>	<u>\$ 41,283</u>	<u>\$ 680,698</u>

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets over their useful lives is reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current year. (21,182)

Repayment of note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount of repayment during the period. 13,000

Change in net asset of governmental activities \$ 34,321

See Accompanying Notes to Basic Financial Statements



# Tobin & Co.

Whitewater Township  
Statement of Net Assets  
Proprietary Funds  
March 31, 2006

	Enterprise Fund and Total Miami Beach Sewer Fund
<u>Assets</u>	
Cash and Cash Equivalents	\$ 166,166
Accounts Receivable	3,991
Special Assessments Receivable:	
Delinquent	1,690
Deferred	129,339
Interest Receivable on Assessments	1,180
Capital Assets:	
Land	26,000
Other Capital Assets, Net of Depreciation	273,753
Intangible Assets, Net of Amortization	<u>4,292</u>
Total Assets	<u>606,411</u>
<u>Liabilities</u>	
Accounts Payable and Accrued Expenses	5,555
Long-term Liabilities, Net of Discounts:	
Due Within One Year	20,000
Due in More Than One Year	<u>197,756</u>
Total Liabilities	<u>223,311</u>
<u>Net Assets</u>	
Invested in Capital and Intangible Assets, Net of Related Debt	86,289
Unrestricted	<u>296,811</u>
Total Net Assets	<u>\$ 383,100</u>

See Accompanying Notes to Basic Financial Statements

# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenses and Changes in Net Assets  
Proprietary Funds  
For the Year Ended March 31, 2006

	Enterprise Fund and Total Miami Beach Sewer Fund
<u>Operating Revenues</u>	
Fees and Charges	\$ 12,660
Special Assessments	6,811
Interest	<u>2,623</u>
Total Operating Revenues	<u>22,094</u>
<u>Operating Expenses</u>	
Contractual Services	6,545
Debt Service Interest and Fees	12,875
Depreciation and Amortization	<u>6,946</u>
Total Operating Expenses	<u>26,366</u>
<u>Net (Loss)</u>	(4,272)
<u>Retained Earnings – Beginning of Year</u>	<u>45,133</u>
<u>Retained Earnings – End of Year</u>	<u>\$ 40,861</u>

See Accompanying Notes to Basic Financial Statements

# Tobin & Co.

## Whitewater Township Statement of Cash Flows Proprietary Funds For the Year Ended March 31, 2006

	Enterprise Fund and Total Miami Beach Sewer Fund
<u>Operating Activities</u>	
Collections of Charges for Services	\$ 9,338
Collections of Special Assessments	25,446
Collections of Interest	2,623
Deduct Expenses Using Cash and Cash Equivalents	<u>(13,535)</u>
Net Cash Flow from Operating Activities	<u>23,872</u>
<u>Capital Financing Activities</u>	
Principal Payments	<u>(15,000)</u>
Cash Flow Used by Capital Financing Activities	<u>(15,000)</u>
<u>Net Increase in Cash</u>	8,872
<u>Balance of Cash – Beginning of Year</u>	<u>157,294</u>
<u>Balance of Cash – End of Year</u>	<u>\$ 166,166</u>
Net (Loss)	\$ (4,272)
Add Depreciation and Amortization	7,354
Decrease in Receivables	15,313
Increase in Payables	<u>5,477</u>
Net Cash Flow from Operating Activities	<u>\$ 23,872</u>

See Accompanying Notes to Basic Financial Statements

# **Tobin & Co.**

## Whitewater Township Statement of Fiduciary Net Assets March 31, 2006

### Assets

Cash and Investments	\$ <u>5</u>
Total Assets	<u>5</u>

### Liabilities

Undistributed Taxes and Interest	<u>5</u>
Total Liabilities	<u>5</u>
Net Assets	<u>\$ -</u>

See Accompanying Notes to Basic Financial Statements

# Tobin & Co.

## Whitewater Township Notes to Financial Statements March 31, 2006

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

Whitewater Township is a general law township located in Grand Traverse County, Michigan. Population as of the 2000 census was 2,467, and the current State equalized valuation of the year of audit was \$235,390,070.

The Township's basic financial statements include the accounts of all Township operations. The criteria for including organizations within the Township's reporting entity, as set forth in GASB No. 14, "*The Financial Reporting Entity*" includes oversight responsibility, fiscal dependency and whether the financial statements would be misleading if data were not included.

Based on the above criteria, there are no other organizations included in these financial statements.

#### B. Basis of Presentation

The government-wide financial statements (the statement of net assets and the statement of changes in net assets) report information on all of the activities of the Township. The effect of interfund activity, within the governmental activities column, has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

#### Fund Financial Statements:

The Township segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The Township has presented the following governmental funds:

General Fund – This fund is used to account for all financial transactions not accounted for in another fund, including the general operating expenditures of the Township. Revenues are derived primarily from property taxes, state distributions or grants, and other intergovernmental revenues.

Special Revenue Funds – These funds are used to account for specific governmental revenues (other than expendable trusts and major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

# **Tobin & Co.**

Whitewater Township  
Notes to Financial Statements  
March 31, 2006

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation (Continued)**

Proprietary Funds

These funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position, and cash flow. All assets and liabilities are included in the statement of net assets.

Fiduciary Funds

These funds are used to account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

**C. Measurement Focus/Basis of Accounting**

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net assets and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled water and sewer services which are accrued. Expenses are recognized at the time the liability is incurred.

Governmental fund and agency fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Township considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for recognition of all other Governmental Fund revenues. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

The revenue susceptible to accrual are property taxes, franchise fees, licenses, charges for service, interest income and intergovernmental revenues. All other governmental fund revenues are recognized when received.

**D. Budgets**

The General Fund and Special Revenue Funds are under formal budgetary control. Budgets shown in the financial statements for these funds were prepared on a basis not significantly different from the modified accrual basis used to reflect actual results and consist only of those amounts contained in the formal budget approved and amended by the Township.

In the body of the financial statements and the required supplementary schedules, the Township's actual and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budgets for these funds were adopted to the activity or cost center level.

For budgetary purposes appropriations lapse at fiscal year end.

# Tobin & Co.

## Whitewater Township Notes to Financial Statements March 31, 2006

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### E. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Township considers all short-term debt securities purchased with a remaining maturity of three months or less when purchased to be cash equivalents.

#### F. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental columns or business-type activities in the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest is capitalized during the construction period on property, plant and equipment.

Assets capitalized have an original cost of \$1,000 or more and over one year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Land Improvements	20 years
Sewer Systems	50 years
Buildings	30 – 60 years
Building Improvements	10 – 30 years
Vehicles	3 – 10 years
Office Furniture	3 – 10 years
Equipment	3 – 10 years

#### G. Property Tax Procedures and Collections

Properties are assessed as of December 31 and the related property taxes become a lien the following July 1 and/or December 1. Real property taxes are collected by the Township Treasurer through February 28 of each year. As of March 1, uncollected real property taxes are returned delinquent to, and collected by, the County Treasurer. Personal property taxes remain the responsibility of the Township Treasurer to collect. It is the policy of the Township to record the real property taxes in the year of levy.

During the collection period prior to March 1, the Township Treasurer makes distribution of the property tax collections to the various taxing units (County, School District, etc.) as required by statute.

For the fiscal year the Township levied property taxes as follows:

	SEV	Taxable Value	Millage Rate
General Operating	\$235,390,070	\$143,517,580	.6168
Fire Protection	\$235,390,070	\$143,517,580	1.0000
Recreation	\$235,390,070	\$143,517,580	.2104

#### H. Special Assessment Revenue

Special Assessment Revenue is recognized in the year of levy. The Township has elected to recognize advance payments of special assessments as revenue upon receipt rather than allocating a portion of such payments to each year's levy.

#### I. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

# **Tobin & Co.**

## Whitewater Township Notes to Financial Statements March 31, 2006

### NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

- A. We noted no material violations of legal provisions and/or contractual provisions of various agreements related to financial matters.
- B. All funds had positive fund balances at March 31, 2006.
- C. Public Act 621 of 1978, § 18, provides that a local unit shall not incur expenditures in excess of the amount appropriated. During the year ended March 31, 2006, no cost center overexpended its budget without formal budget amendment.

### NOTE 3 - DEPOSITS WITH FINANCIAL INSTITUTIONS

#### A. Legal Provisions for Deposits and Investments

Act 20, Public Acts of 1943, as amended by Act 217, Public Acts of 1982, and Act 196, Public Acts of 1997, states that the Township, by resolution, may authorize the Treasurer to invest surplus funds as follows:

- (1) In bonds and other direct obligations of the United States or an agency or instrumentality of the United States.
- (2) In certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank which is a member of the Federal Deposit Insurance Corporation or a savings and loan association which is a member of the Federal Savings and Loan Insurance Corporation or a credit union which is insured by the National Credit Union Administration, but only if the bank, savings and loan association, or credit union complies with subsection (2).
- (3) In commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and which matures not more than 270 days after date of purchase.
- (4) In repurchase agreements consisting of instruments defined in (1) above.
- (5) In bankers' acceptances of United States Banks.
- (6) In obligations of the State of Michigan or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating service.
- (7) In mutual funds registered under the investment company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by local units of government in Michigan.

#### B. Types of Deposits and Investments

The Township had \$865,188 deposited with local financial institutions at March 31, 2006 with a carrying value of \$821,972. Interpreting the FDIC insurance coverage of \$100,000 of demand deposits and \$100,000 of time deposits per financial institution, the Township had \$665,188 of uninsured deposits at March 31, 2006.



# Tobin & Co.

## Whitewater Township Notes to Financial Statements March 31, 2006

### NOTE 4 - CAPITAL/INTANGIBLE ASSETS

	<u>03/31/05</u>	<u>Additions</u>	<u>Deletions</u>	<u>03/31/06</u>
Governmental Activities:				
Land and Improvements	\$ 1,578,739	\$ -	\$ -	\$ 1,578,739
Buildings and Improvements	461,064	25,045	-	486,109
Vehicles and Equipment	<u>272,778</u>	<u>5,731</u>	<u>-</u>	<u>278,509</u>
Total	2,312,581	30,776	-	2,343,357
Less Accumulated Depreciation	<u>(485,656)</u>	<u>(51,958)</u>	<u>-</u>	<u>(537,614)</u>
Governmental Activities Capital Assets, Net	<u>\$ 1,826,925</u>	<u>\$ (21,182)</u>	<u>\$ -</u>	<u>\$ 1,805,743</u>
Business-type Activities:				
Land	\$ 26,000	\$ -	\$ -	\$ 26,000
Sewer Systems	<u>325,846</u>	<u>-</u>	<u>-</u>	<u>325,846</u>
Total	351,846	-	-	351,846
Less Accumulated Depreciation	<u>(45,576)</u>	<u>(6,517)</u>	<u>-</u>	<u>(52,093)</u>
Business-type Activities Capital Assets, Net	<u>\$ 306,270</u>	<u>\$ (6,517)</u>	<u>\$ -</u>	<u>\$ 299,753</u>

Intangible assets at March 31, 2006 consisted of bond origination costs of \$7,725, less accumulated amortization of \$3,433 and \$3,004 at March 31, 2006 and 2005, respectively.

### NOTE 5 - LOANS AND TRANSFERS BETWEEN FUNDS

The following advance balances between funds existed at March 31, 2006:

\$5 owed from the Current Property Tax Collection Fund to the General Fund.

The following inter-fund operating transfers were made during the audit year:

\$13,250 from the General Fund to the Park Fund

\$6,000 from the General Fund to the Ambulance Fund

\$29,090 from the Fire Fund to the Fire Capital Improvement Fund

### NOTE 6 - INVENTORIES

Whitewater Township does not maintain a substantial inventory of supplies or materials. Purchases are normally made as needed, and the items are recorded as expenses at time of purchase.

# Tobin & Co.

## Whitewater Township Notes to Financial Statements March 31, 2006

### NOTE 7 - LONG-TERM DEBT

Enterprise Fund long-term debt at March 31, 2006 consisted of 4.30% to 5.50% Grand Traverse County Whitewater Township Sanitary Sewer System Bonds. The bonds were issued on March 1, 1999 with an original issue amount of \$315,000 and an original issue discount of \$6,300. Principal payments are May 1 and interest May 1 and November 1.

Debt service requirements to maturity:

	<u>Principal</u>	<u>Interest</u>
2006	\$ 20,000	\$ 11,250
2007	20,000	10,240
2008	20,000	9,210
2009	20,000	8,165
2010	20,000	7,110
2011	20,000	6,040
2012	20,000	4,950
2013	20,000	3,850
2014	20,000	2,750
2015	20,000	1,650
2016	<u>20,000</u>	<u>550</u>
	<u>\$ 220,000</u>	<u>\$ 65,765</u>

General long-term debt at March 31, 2006 consisted of five installment notes payable to Alden State Bank, various dates, 4.25% interest rate, principal and interest payments due annually on various dates.

<u>Year Ended March 31,</u>	<u>Principal</u>	<u>Interest</u>
2007	\$ 13,551	\$ 3,090
2008	14,127	2,514
2009	14,727	1,913
2010	15,353	1,288
2011	<u>14,909</u>	<u>1,695</u>
	<u>\$ 72,667</u>	<u>\$ 10,500</u>

Changes in Long-term Debt:

	<u>Principal Balance 3/31/05</u>	<u>Additions</u>	<u>Payments</u>	<u>Principal Balance 3/31/06</u>
Sanitary Sewer System Bonds	\$ 235,000	\$ -	\$ 15,000	\$ 220,000
Notes Payable – Alden State Bank	<u>85,702</u>	<u>-</u>	<u>13,035</u>	<u>72,667</u>
Total	<u>\$ 320,702</u>	<u>\$ -</u>	<u>\$ 28,035</u>	<u>\$ 292,667</u>

# **Tobin & Co.**

## Whitewater Township Notes to Financial Statements March 31, 2006

### NOTE 8 - RETIREMENT PLAN

The Township has a defined contribution pension plan for Michigan Township employees under contract with the Manufacturers Life Insurance Company. Listed below is a summary of the significant plan provisions adopted by Board resolution in December 1968 and amended December 1995 and January 1996.

#### A. Eligibility Requirements

1. Attained age of 18 and not more than 75.
2. 90 days minimum service requirement.
3. All elected officials and full-time salaries employees.

#### B. Contributions

1. 10% of annual compensation funded entirely by the Township on an annual basis.
2. Compensation determined by the basic annual rate of compensation in effect at the beginning of the plan year.
3. Township pays 100% of required annual contribution.

#### C. Vesting

1. Contributions are vested to the employee immediately upon early retirement, termination of services, death, disability, or normal retirement at 100%.

#### D. Plan Administration

1. The plan is administered by the Township Clerk.

During the audit year, the total contribution for the plan year, April 1, 2005 to April 1, 2006 was \$11,469. Covered payroll for the year was \$114,691 with total payroll for all employees of \$205,762. The plan was funded at the required contribution amount.

### NOTE 9 - ACCOUNTS/TAXES RECEIVABLE

Accounts receivable of \$3,708 in the Ambulance Fund represent amounts due from individuals for ambulance service. Substantially all receivables in the General Fund and other Special Revenue Funds represent 2005 delinquent real and personal property taxes, property tax administration fees and swamp tax.

### NOTE 10- PROPERTY TAX ADMINISTRATION FEES

The Township levied the 1% administration fee permitted by statute on all 2005 property taxes. These fees may be used only to offset such property tax administration costs as assessing, collecting and the review and appeal process. Property tax administration fee collection and summer tax collection fees totaled \$53,694, while costs were \$49,612 for the audit year.

### NOTE 11- CONTINGENT LIABILITIES

Township officials are aware of no contingent liabilities at March 31, 2006.

### NOTE 12- COMPENSATED ABSENCES

The Township provides non-cumulative annual and personal leave to the Zoning Administrator. As of March 31, 2006, there was no liability for compensated absences.

### NOTE 13- RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the audit year the Township addressed these risks through the purchase of commercial insurance through Municipal Underwriters of Michigan and Burnham and Flowers Insurance Agency and Michigan Municipal League Workmen's Compensation Fund. There was no significant reduction of insurance coverage from prior years nor have the amounts of any settlements exceeded insurance coverage in any of the past three fiscal years.

---

# Tobin & Co.

Whitewater Township  
Notes to Financial Statements  
March 31, 2006

NOTE 14- SEGMENT INFORMATION – ENTERPRISE FUND

The Township maintains a single enterprise fund, which provides sewer services. Segment information for the year ended March 31, 2006 was as follows:

Operating Revenues	\$ 22,094
Depreciation, Depletion and Amortization Expense	6,946
Operating (loss)	(4,272)
Net (loss)	(4,272)
Property, Plant, and Equipment: Additions	-
Net Working Capital	147,472
Total Assets	606,411
Bonds and Other Long-Term Liabilities:	
Payable from Operating Revenues	220,000
Total Equity	383,100

SUPPLEMENTAL DATA SECTION

# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
General Fund  
For the Year Ended March 31, 2006

Schedule 1  
Page 1

Revenues	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
Taxes:				
Property Taxes	\$ 90,062	\$ 90,062	\$ 88,729	\$ (1,333)
Penalties and Interest on Taxes	1,377	1,377	3,324	1,947
Property Tax Administration Fees	43,201	43,201	45,614	2,413
Swamp Tax and Commercial Forest	13,765	13,765	13,764	(1)
Collection Fees	8,313	8,313	8,079	(234)
Licenses and Permits:				
Land Use Permits	5,000	5,000	5,010	10
Franchise Fees	19,175	19,175	19,277	102
State Grants:				
State Shared Revenues	168,533	168,533	166,617	(1,916)
Charges for Services:				
Fees	4,000	5,700	6,010	310
Sales	1,600	1,600	2,461	861
Interest and Rents:				
Interest	3,900	3,900	8,554	4,654
Other:				
Refunds and Reimbursements	3,400	3,400	1,312	(2,088)
Sale of Fixed Assets	-	-	-	-
Miscellaneous	-	-	62	62
Total Revenues	362,326	364,026	368,813	4,787
<u>Expenditures</u>				
Legislative:				
Township Board:				
Salaries and Wages	-	-	7,750	-
Office Supplies	-	-	1,386	-
Postage	-	-	70	-
Audit and Accounting	-	-	6,670	-
Professional Services	-	-	690	-
Clean Up Day	-	-	14,428	-
Pension	-	-	9,160	-
Dues and Memberships	-	-	2,383	-
Meals and Lodging	-	-	872	-
Mileage	-	-	44	-
Education and Training	-	-	199	-
Publishing	-	-	3,611	-
Township Newsletter	-	-	2,401	-
Refunds	-	-	10	-
Total	47,564	51,424	49,674	1,750
Total Legislative	47,564	51,424	49,674	1,750

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
General Fund  
For the Year Ended March 31, 2006

Schedule I  
Page 2

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Expenditures (Continued)</u>				
General Government:				
Township Supervisor:				
Salaries and Wages	-	-	25,525	-
Office Supplies	-	-	305	-
Postage	-	-	55	-
Meals and Lodging	-	-	513	-
Mileage Reimbursement	-	-	564	-
Education	-	-	259	-
Total	<u>27,425</u>	<u>27,425</u>	<u>27,221</u>	<u>204</u>
Elections:				
Salaries and Wages	-	-	714	-
Office Supplies	-	-	355	-
Postage	-	-	284	-
Mileage Reimbursement	-	-	10	-
Publishing	-	-	81	-
Total	<u>5,700</u>	<u>1,566</u>	<u>1,444</u>	<u>122</u>
Assessor:				
Office Supplies	-	-	458	-
Postage	-	-	845	-
Assessing Services	-	-	19,600	-
Software Support	-	-	870	-
Education	-	-	75	-
Total	<u>21,500</u>	<u>21,920</u>	<u>21,848</u>	<u>72</u>
Attorney:				
Legal Services	-	-	66,537	-
Total	<u>50,000</u>	<u>70,000</u>	<u>66,537</u>	<u>3,463</u>
Clerk:				
Salaries and Wages	-	-	28,879	-
Office Supplies	-	-	1,315	-
Postage	-	-	750	-
Software Support	-	-	2,893	-
Mileage	-	-	561	-
Education	-	-	590	-
Meals and Lodging	-	-	74	-
Total	<u>36,925</u>	<u>36,325</u>	<u>35,062</u>	<u>1,263</u>
Board of Review:				
Salaries and Wages	-	-	618	-
Postage	-	-	8	-
Printing and Publishing	-	-	94	-
Education and Training	-	-	180	-
Total	<u>850</u>	<u>968</u>	<u>900</u>	<u>68</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenditures and Changes in Fund Balance -- Budget and Actual  
General Fund  
For the Year Ended March 31, 2006

Schedule I  
Page 3

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Expenditures (Continued)</u>				
General Government (Continued):				
Treasurer:				
Salaries	-	-	25,525	-
Wages	-	-	121	-
Office Supplies	-	-	1,036	-
Postage	-	-	2,171	-
Software Support	-	-	556	-
Mileage Reimbursement	-	-	1,511	-
Meals and Lodging	-	-	77	-
Education and Training	-	-	461	-
Total	<u>33,475</u>	<u>32,275</u>	<u>31,458</u>	<u>817</u>
Township Hall and Grounds:				
Operating Supplies	-	-	931	-
Lawn Maintenance	-	-	1,475	-
Janitorial	-	-	1,300	-
Waste Removal	-	-	284	-
Snow Plowing	-	-	908	-
Internet	-	-	330	-
Electricity	-	-	1,339	-
Heat	-	-	1,741	-
Telephone	-	-	3,178	-
Maintenance and Repairs	-	-	5,518	-
Total	<u>18,100</u>	<u>17,675</u>	<u>17,004</u>	<u>671</u>
Cemetery:				
Operating Supplies	-	-	759	-
Cemetery Sexton	-	-	1,730	-
Lawn Maintenance	-	-	6,610	-
Electricity	-	-	94	-
Repairs and Maintenance	-	-	5	-
Total	<u>8,050</u>	<u>9,340</u>	<u>9,198</u>	<u>142</u>
Total General Government	<u>202,025</u>	<u>217,494</u>	<u>210,672</u>	<u>6,822</u>
Public Safety:				
Planning Commission:				
Salaries	-	-	3,740	-
Wages	-	-	650	-
Professional Services	-	-	6,330	-
Dues and Memberships	-	-	600	-
Education and Training	-	-	888	-
Meals and Lodging	-	-	20	-
Publishing	-	-	1,375	-
Total	<u>11,305</u>	<u>14,905</u>	<u>13,603</u>	<u>1,302</u>

The Notes to the Basic Financial Statements are an integral part of this statement.



# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
General Fund  
For the Year Ended March 31, 2006

Schedule 1  
Page 4

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Expenditures (Continued)</u>				
Public Safety (Continued):				
Zoning Administrator/Planner:				
Salaries and Wages	-	-	34,949	-
Office Supplies	-	-	1,760	-
Postage	-	-	382	-
Professional Services	-	-	2,872	-
Pension Plan	-	-	2,309	-
Mileage and Reimbursement	-	-	674	-
Meals and Lodging	-	-	32	-
Education and Training	-	-	295	-
Total	<u>46,986</u>	<u>43,750</u>	<u>43,273</u>	<u>477</u>
Zoning Board of Appeals:				
Salaries	-	-	580	-
Wages	-	-	200	-
Postage	-	-	5	-
Education and Training	-	-	187	-
Publishing	-	-	323	-
Total	<u>3,525</u>	<u>1,455</u>	<u>1,295</u>	<u>160</u>
Total Public Safety	<u>61,816</u>	<u>60,110</u>	<u>58,171</u>	<u>1,939</u>
Recreation and Cultural:				
Historical Society:				
Office Supplies	-	-	75	-
Total Recreation and Cultural	<u>384</u>	<u>385</u>	<u>75</u>	<u>310</u>
Other:				
Employee Health Insurance	-	-	587	-
Social Security/Medicare	-	-	9,834	-
Insurance	-	-	14,634	-
Total	<u>35,873</u>	<u>25,395</u>	<u>25,055</u>	<u>340</u>
Capital Outlay	<u>2,800</u>	<u>4,251</u>	<u>4,251</u>	-
Total Expenditures	<u>350,463</u>	<u>359,059</u>	<u>347,898</u>	<u>11,161</u>
<u>Excess Revenues (Expenditures)</u>	<u>11,863</u>	<u>4,967</u>	<u>20,915</u>	<u>15,948</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
General Fund  
For the Year Ended March 31, 2006

Schedule 1  
Page 5

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Expenditures (Continued)</u>				
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	-	-	-	-
Operating Transfers (Out)	(13,192)	(19,250)	(19,250)	-
Total	(13,192)	(19,250)	(19,250)	-
<u>Excess Revenues (Expenditures) and</u>				
<u>Other Financing Sources (Uses)</u>	(1)	\$ (1,329)	\$ (14,283)	1,665
Fund Balance – Beginning of Year			271,777	
Fund Balance – End of Year			\$ 273,442	
(1) Budgeted from Fund Balance				

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
Fire Fund  
For the Year Ended March 31, 2006

Schedule 2

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Taxes:				
Property Taxes	\$ -	\$ -	\$ 137,377	\$ -
Interest and Rents:				
Rent	-	-	4,000	-
Interest	-	-	1,994	-
Other:				
Donations	-	-	100	-
Refunds and Reimbursements	-	-	4,627	-
Miscellaneous	-	-	119	-
Total Revenues	<u>143,079</u>	<u>143,079</u>	<u>148,217</u>	<u>5,138</u>
<u>Expenditures</u>				
Salaries and Wages	-	-	12,251	-
Social Security and Medicare	-	-	937	-
Supplies	-	-	3,561	-
Contractual	-	-	80,067	-
Trash and Snow Removal	-	-	1,072	-
Telephone	-	-	1,615	-
Public Utilities	-	-	5,811	-
Maintenance and Repairs	-	-	1,254	-
Education and Training	-	-	27	-
Mileage Reimbursement	-	-	2,681	-
Capital Outlay	-	-	2,231	-
Total	<u>143,079</u>	<u>113,989</u>	<u>111,507</u>	<u>2,482</u>
<u>Excess Revenues (Expenditures)</u>	<u>-</u>	<u>29,090</u>	<u>36,710</u>	<u>7,620</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	-	-	-	-
Operating Transfers (Out)	-	(29,090)	(29,090)	-
Total	<u>-</u>	<u>(29,090)</u>	<u>(29,090)</u>	<u>-</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>7,620</u>	<u>\$ 7,620</u>
Fund Balance – Beginning of Year			<u>112,921</u>	
Fund Balance – End of Year			<u>\$ 120,541</u>	

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

## Whitewater Township Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual Park Fund For the Year Ended March 31, 2006

Schedule 3  
Page 1

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Charges for Services:				
Camping Fees	\$ 75,000	\$ 75,000	\$ 69,593	\$ (5,407)
Boat Ramp Fees	7,500	7,500	8,980	1,480
Reservation Fees	3,000	3,000	3,040	40
Ice Sales	3,500	3,500	4,684	1,184
Pop Sales	700	700	776	76
Wood Sales	2,500	2,500	2,597	97
Shower Fees	1,800	1,800	1,672	(128)
Interest and Rents:				
Interest	70	70	93	23
Rent	1,875	1,875	1,525	(350)
Other:				
Miscellaneous	<u>130</u>	<u>130</u>	<u>263</u>	<u>133</u>
Total Revenues	<u>96,075</u>	<u>96,075</u>	<u>93,223</u>	<u>(2,852)</u>
<u>Expenditures</u>				
Salaries	-	-	2,400	-
Wages	-	-	38,372	-
Office Supplies	-	-	1,130	-
Postage	-	-	150	-
Operating Supplies	-	-	6,381	-
Ice	-	-	2,059	-
Pop	-	-	538	-
Uniforms	-	-	270	-
Professional Services	-	-	1,028	-
Lawn Maintenance	-	-	4,425	-
Waste Removal	-	-	1,073	-
Septic Services	-	-	2,243	-
Mileage	-	-	48	-
Electricity	-	-	3,111	-
Propane	-	-	1,170	-
Telephone	-	-	1,528	-
Sales Tax	-	-	412	-
Maintenance and Repairs	-	-	15,544	-
Miscellaneous	-	-	4,196	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>1,480</u>	<u>-</u>
Total	<u>78,204</u>	<u>89,401</u>	<u>87,558</u>	<u>1,843</u>
Social Security/Medicare:				
Social Security	-	-	2,528	-
Medicare	<u>-</u>	<u>-</u>	<u>591</u>	<u>-</u>
Total	<u>3,067</u>	<u>3,120</u>	<u>3,119</u>	<u>1</u>
Debt Service:				
Principal	-	-	13,000	-
Interest	<u>-</u>	<u>-</u>	<u>3,641</u>	<u>-</u>
Total	<u>16,641</u>	<u>16,641</u>	<u>16,641</u>	<u>-</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
Park Fund  
For the Year Ended March 31, 2006

Schedule 3  
Page 2

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Total Expenditures	<u>97,912</u>	<u>109,162</u>	<u>107,318</u>	<u>1,844</u>
<u>Excess Revenues (Expenditures)</u>	<u>(1,837)</u>	<u>(13,087)</u>	<u>(14,095)</u>	<u>(1,008)</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	2,000	13,250	13,250	-
Operating Transfers (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>2,000</u>	<u>13,250</u>	<u>13,250</u>	<u>-</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>\$ 163</u>	<u>\$ 163</u>	(845)	<u>\$ (1,008)</u>
Fund Balance – Beginning of Year			<u>1,565</u>	
Fund Balance – End of Year			<u>\$ 720</u>	

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

## Whitewater Township Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual Recreation Fund For the Year Ended March 31, 2006

Schedule 4

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Taxes:				
Current Taxes	\$ 29,800	\$ 29,800	\$ 30,261	\$ 461
Penalties and Interest on Taxes	-	-	4	4
Charges for Services:				
Fees	1,050	1,050	1,300	250
Sales	-	-	387	387
Interest and Rents:				
Interest	400	400	405	5
Rent	-	-	50	50
Other:				
Miscellaneous	-	-	22	22
<b>Total Revenues</b>	<u>31,250</u>	<u>31,250</u>	<u>32,429</u>	<u>1,179</u>
<b>Expenditures</b>				
Recreation:				
Salaries	-	-	120	-
Wages	-	-	2,533	-
Operating Supplies	-	-	1,404	-
Professional Services	-	-	5,430	-
Lawn Maintenance	-	-	288	-
Mileage	-	-	33	-
Publishing	-	-	177	-
Electricity	-	-	767	-
Maintenance and Repairs	-	-	1,953	-
Capital Outlay	-	-	22,814	-
<b>Total</b>	<u>44,824</u>	<u>44,824</u>	<u>35,519</u>	<u>9,305</u>
Social Security/Medicare:				
Social Security	-	-	165	-
Medicare	-	-	38	-
<b>Total</b>	<u>221</u>	<u>221</u>	<u>203</u>	<u>18</u>
<b>Total Expenditures</b>	<u>45,045</u>	<u>45,045</u>	<u>35,722</u>	<u>9,323</u>
<b>Excess Revenues (Expenditures)</b>	(1) <u>\$ (13,795)</u>	<u>\$ (13,795)</u>	<u>(3,293)</u>	<u>\$ 10,502</u>
Fund Balance – Beginning of Year			<u>27,838</u>	
Fund Balance – End of Year			<u>\$ 24,545</u>	
(1) Budgeted from Fund Balance				

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual  
Fire Capital Improvement Fund  
For the Year Ended March 31, 2006

Schedule 5

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Interest and Rents:				
Interest	\$ 3,000	\$ 3,000	\$ 5,170	\$ 2,170
Total	<u>3,000</u>	<u>3,000</u>	<u>5,170</u>	<u>2,170</u>
<u>Expenditures</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Excess Revenues (Expenditures)</u>	<u>3,000</u>	<u>3,000</u>	<u>5,170</u>	<u>2,170</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	-	29,090	29,090	-
Operating Transfers (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>29,090</u>	<u>29,090</u>	<u>-</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>\$ 3,000</u>	<u>\$ 32,090</u>	34,260	<u>\$ 2,170</u>
Fund Balance -- Beginning of Year			<u>187,795</u>	
Fund Balance -- End of Year			<u>\$ 222,055</u>	

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

## Whitewater Township Combining Balance Sheet Non-Major Governmental Funds March 31, 2006

Schedule 6

	<u>Special Revenue</u>				
<u>Assets</u>	<u>Road Fund</u>	<u>Ambulance Fund</u>	<u>Ambulance Replacement Fund</u>	<u>Public Improvement Fund</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 6,205	\$ 2,203	\$ 18,639	\$ 11,780	\$ 38,827
Accounts Receivable	-	3,708	-	-	3,708
<b>Total Assets</b>	<u><u>\$ 6,205</u></u>	<u><u>\$ 5,911</u></u>	<u><u>\$ 18,639</u></u>	<u><u>\$ 11,780</u></u>	<u><u>\$ 42,535</u></u>
 <u>Liabilities and Fund Equity</u>					
Liabilities:					
Accounts Payable	-	1,252	-	-	1,252
<b>Total</b>	<u>-</u>	<u>1,252</u>	<u>-</u>	<u>-</u>	<u>1,252</u>
Fund Equity:					
Fund Balance – Unrestricted	184	4,659	18,639	11,780	35,262
Fund Balance – Restricted	6,021	-	-	-	6,021
<b>Total Fund Equity</b>	<u>6,205</u>	<u>4,659</u>	<u>18,639</u>	<u>11,780</u>	<u>41,283</u>
<b>Total Liabilities and Fund Balance</b>	<u><u>\$ 6,205</u></u>	<u><u>\$ 5,911</u></u>	<u><u>\$ 18,639</u></u>	<u><u>\$ 11,780</u></u>	<u><u>\$ 42,535</u></u>

The Notes to the Basic Financial Statements are an integral part of this statement.



# Tobin & Co.

## Whitewater Township Combining Statement of Revenues, Expenditures and Changes in Fund Balance Non-Major Governmental Funds March 31, 2006

Schedule 7

	<u>Special Revenue</u>				
	<u>Road Fund</u>	<u>Ambulance Fund</u>	<u>Ambulance Replacement Fund</u>	<u>Public Improvement Fund</u>	<u>Total</u>
<u>Revenues</u>					
State Grants:					
Metro Act	\$ 6,967	\$ -	\$ -	\$ -	\$ 6,967
Charges for Services:					
Fees	-	25,166	-	-	25,166
Interest and Rents:					
Interest	89	18	289	287	683
Other:					
Donations	-	-	-	-	-
Miscellaneous	-	30	-	-	30
Total	<u>7,056</u>	<u>25,214</u>	<u>289</u>	<u>287</u>	<u>32,846</u>
<u>Expenditures</u>					
Public Works	1,215	-	-	-	1,215
Recreation and Culture	-	34,535	-	-	34,535
Total	<u>1,215</u>	<u>34,535</u>	<u>-</u>	<u>-</u>	<u>35,750</u>
<u>Excess Revenues (Expenditures)</u>	<u>5,841</u>	<u>(9,321)</u>	<u>289</u>	<u>287</u>	<u>(2,904)</u>
<u>Other Financing Sources (Uses)</u>					
Operating Transfers In	-	6,000	-	-	6,000
Operating Transfers (Out)	-	-	-	-	-
Total	<u>-</u>	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>6,000</u>
<u>Excess Revenues (Expenditures) and Other Financing Sources (Uses)</u>	<u>5,841</u>	<u>(3,321)</u>	<u>289</u>	<u>287</u>	<u>3,096</u>
Fund Balance -- Beginning of Year	<u>364</u>	<u>7,980</u>	<u>18,350</u>	<u>11,493</u>	<u>38,187</u>
Fund Balance -- End of Year	<u>\$ 6,205</u>	<u>\$ 4,659</u>	<u>\$ 18,639</u>	<u>\$ 11,780</u>	<u>\$ 41,283</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

## Whitewater Township 2005 Property Tax Levy and Collections For the Year Ended March 31, 2006

Schedule 8

	<u>Millage Rate</u>	<u>Adjusted Levy</u>	<u>Collected</u>	<u>Returned Delinquent</u>
County	5.0815	\$ 730,214	\$ 675,467	\$ 54,747
Commission on Aging	0.4955	71,067	65,321	5,746
Medical Care	0.6725	96,631	88,657	7,974
BATA	0.3380	48,564	44,555	4,009
State Education	6.0000	858,817	810,595	48,222
School District:				
Elk Rapids	20.5200	1,463,729	1,345,200	118,529
Traverse City	21.1000	9,143	9,023	120
Intermediate School District	2.9589	425,191	399,736	25,455
Community College	2.9427	422,763	392,734	30,029
District Library	1.1590	166,549	152,792	13,757
Township:				
General	0.6168	88,629	81,314	7,315
Fire Protection	1.000	137,217	127,267	9,950
Recreation	0.2104	30,226	27,732	2,494
Special Assessments		22,076	19,207	2,869
Sewer Usage		552	-	552
Commercial Forest Reserve		<u>453</u>	<u>453</u>	<u>-</u>
Total		<u>\$ 4,571,821</u>	<u>\$ 4,240,053</u>	<u>\$ 331,768</u>
Percent of Levy Collected	92.74%			

The Notes to the Basic Financial Statements are an integral part of this statement.

# Tobin & Co.

Whitewater Township  
Statement of Revenues, Expenditures and Balance  
Property Tax Administration Fees  
For the Year Ended March 31, 2006

Schedule 9

Revenues

Summer Property Tax Administration Fees	\$ 45,614
Summer Property Tax Collection Fee	<u>8,080</u>
Total	<u>53,694</u>

Expenditures

Assessor	19,600
Assessor Expenses	2,248
Treasurer – (80% of Salary)	20,420
Treasurer Expenses	5,933
Board of Review	900
Supervisor – (2% of Salary)	<u>511</u>
Total	<u>49,612</u>

<u>Excess Revenues</u>	<u>4,082</u>
------------------------	--------------

<u>Accumulated Excess (Expenditures)</u>	<u>\$ (213,253)</u>
--	---------------------

The Notes to the Basic Financial Statements are an integral part of this statement.